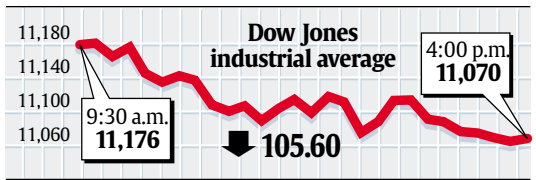


Thursday, June 7, 2001

# Moneyline

## Wednesday markets



Index	Close	Change
Nasdaq composite	2217.73	↓ 15.93
Standard & Poor's 500	1270.03	↓ 13.54
Treasury bond, 30-year yield	5.65%	unch.
Treasury note, 10-year yield	5.25%	↓ 0.02
USA TODAY Internet 100	62.95	↓ 0.81
e-Business 50	76.34	↓ 0.93
e-Consumer 50	62.29	↓ 0.90
Oil, light sweet crude, barrel	\$27.72	↓ 0.52
Euro (dollars per euro)	0.8476	↓ 0.0056
Yen per dollar	120.39	↑ 0.04

Sources: USA TODAY research, Media General Financial Services  
Market Scoreboard with currencies, 4B

### Bristol-Myers, DuPont in advanced talks

Bristol-Myers Squibb is in advanced talks to buy the drug business of DuPont, the Associated Press reported Wednesday, citing a source close to the negotiations. Analysts had predicted the drug division would fetch around \$6 billion. Both companies declined to comment. DuPont's best-selling drug last year was Sustiva, an AIDS drug with sales of \$386 million.

### Shareholders file IPO-related lawsuits

The legal assault on Wall Street's method of allocating initial public offerings escalated Wednesday. Shareholders filed five federal lawsuits that accuse board members of top investment banks of corporate irresponsibility, and a new class-action case was filed against the investment banks and 25 tech firms. The shareholder lawsuits target the boards of Goldman Sachs, Morgan Stanley Dean Witter, Lehman Bros., Salomon Smith Barney and Robertson Stephens. They accuse board members of exposing the investment banks to hundreds of millions of dollars in potential losses from investors who allege that dozens of IPOs were illegally manipulated. The class-action status accuses the five investment banks and other underwriters of manipulating the IPOs of Ariba, PlanetRx.com, VA Linux Systems and 22 other tech firms. The investment banks either declined to comment about the lawsuits or said they had not seen the filings.

### Lucent offers early retirement buyouts

Lucent Technologies, aiming to cut more costs in its turnaround, offered early retirement packages to more than 10,000 U.S. employees, mostly midlevel managers, the firm said Wednesday. ... **Ingram Micro**, the world's largest distributor of computer products, will slash as many as 1,000 U.S. jobs, or 6% of its workforce. ... **Raytheon Aircraft**, a unit of missile-maker Raytheon, said it would cut 470 jobs.

### Foreign investment in USA hits record

Foreign investment in the USA hit a record for the third consecutive year in 2000, the Commerce Department said Wednesday. Foreign direct investment to acquire existing companies or set up new companies jumped by 16.7% last year to an all-time high of \$321 billion, up from \$275 billion in 1999.

### Gas futures fall on rising inventories

Gasoline inventories are rising, offering some potential price relief at the pump later this summer. Gasoline futures fell to 88 cents a gallon Wednesday, a 2½-month low, after the American Petroleum Institute said supplies are 3% higher than this time last year. Futures prices represent wholesale prices.

### Semiconductor sales to rebound in 2002

Worldwide semiconductor sales will drop 14% to \$175 billion this year, according to the Semiconductor Industry Association (SIA). But SIA says next year will see 21% sales growth to \$211 billion, and sales in 2003 will rise 25% to \$265 billion.

By Jeffrey A. Fick from staff and wire reports

### Shaq puts his touch on Ford SUV

Los Angeles Lakers center Shaquille O'Neal teams with customizer to create the Shaq SST Expedition, **3B**

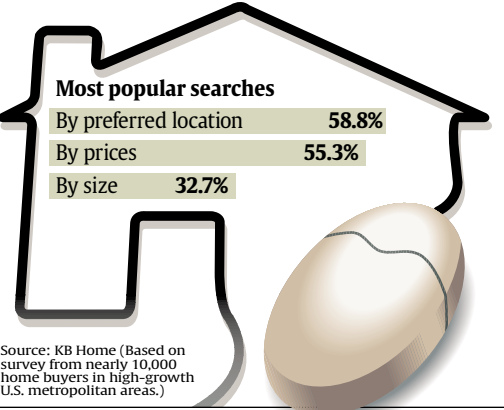


Get business & financial news as it happens. Visit us on the Web at <http://money.usatoday.com>

### USA TODAY Snapshots®

#### Home buyers use Internet to aid search

Fifty-eight percent of home buyers use the Internet while searching for a home.



Source: KB Home (Based on survey from nearly 10,000 home buyers in high-growth U.S. metropolitan areas.)  
By Shannon Reilly and Bob Laird, USA TODAY

### Business travel

By Shannon Reilly

**Summer miles:** British Airways Executive Club members can earn 1 mile for each Diners Club card reward point from June 1 to Aug. 31. To convert points, call 800-234-4034.

**Fly California:** Book American Trans Air tickets online at [ata.com](http://ata.com) by Sunday and get reduced fares to or from Los Angeles or San Francisco. Travel June 13-Aug. 13.

Highest average hotel room rates in April	
Hawaii	\$145.81
New York	\$141.43
Massachusetts	\$122.86
Rhode Island	\$106.71
California	\$102.48
Source: Smith Travel Research By Bob Laird, USA TODAY	

**Added flight:** Northwest affiliate Express Airline I will fly twice daily between Providence and Minneapolis-St. Paul beginning Aug. 13.

**Cajun route:** Delta Air Lines begins two daily non-stop flights between New York JFK and New Orleans on Sept. 1.

**Tropical skies:** Aloha Airlines now has a non-stop daily flight between Orange County, Calif., and Kahului, Maui.

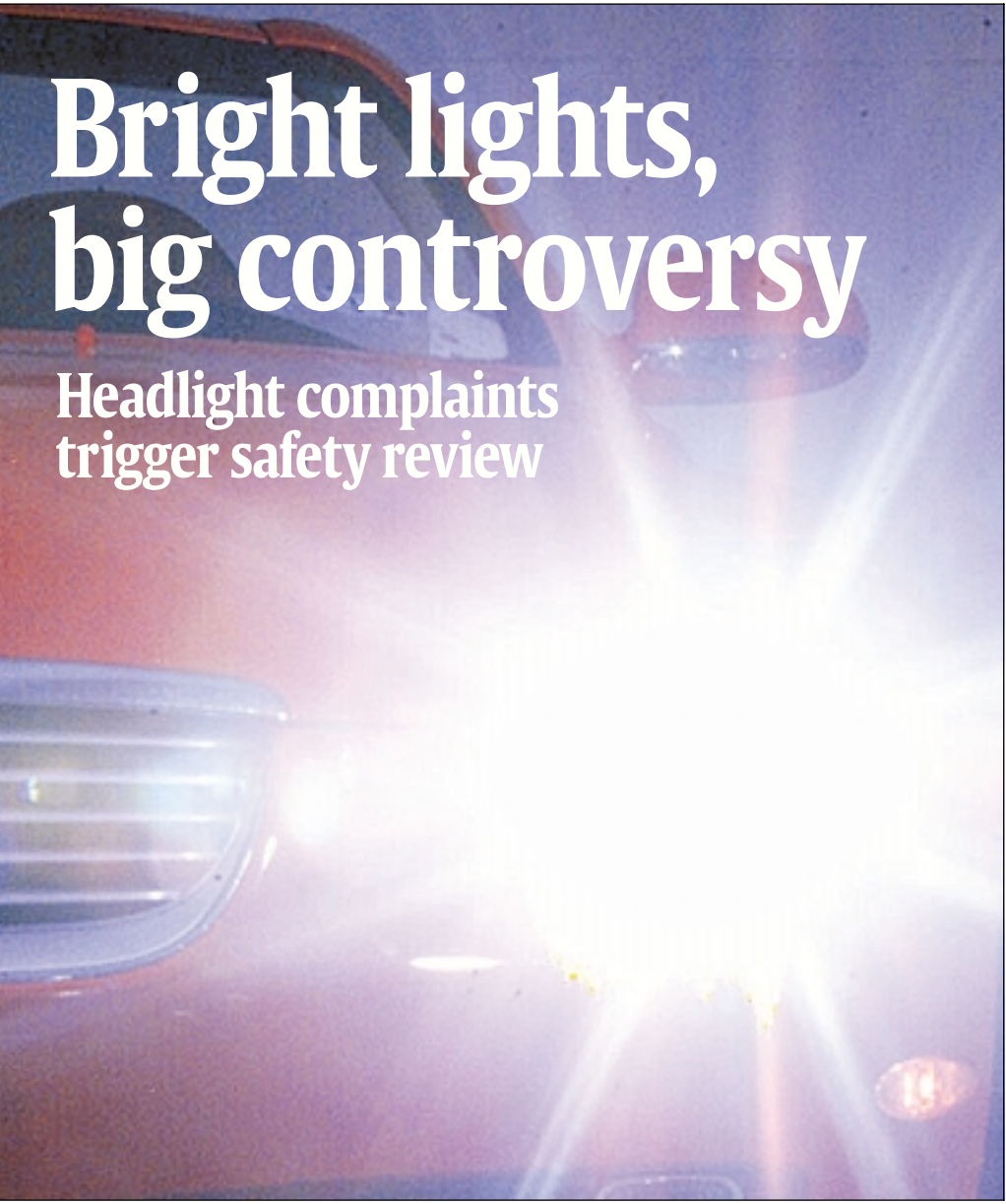


Photo by Tim Dillon, USA TODAY

**Glaring issue:** Xenon, the latest headlight fashion, has admirers, but others say the lights are blinding.

You're driving at night, 'round a bend and — ouch! — you're staring down the barrel of high-caliber headlights boring right at you. Some creep left on the high beams, you grumble. But no, those are too bright, too white, almost blue, like an iceberg. What the heck are those lights? Can that much glare be legal? Isn't it unsafe?

The lights are xenon-gas-ignited, high-intensity-discharge (HID) headlights, often known simply (and incorrectly) as xenon (ZEE-non) headlights. They are wildly popular with some motorists, and, if properly aimed, they are quite legal.

### Cover story

By James R. Healey  
USA TODAY

But they are not benign: The glare they produce is real, and its effects are measurable in scientific studies. HID headlights pour out more illumination than conventional, tungsten-halogen lights, especially to the sides. They do it at the blue end of the color spectrum, where the eye is sensitive at night. Result: Oncoming drivers are often surprised by the light and frequently say it hurts. "They're too bright," says motorist Michelle Massey of St. Louis, who often drives her sport-utility vehicle on secondary roads at night. She's afraid that the glare is bad enough, and the vehicles close enough to each other on winding two-lane roads, that a collision is likely.

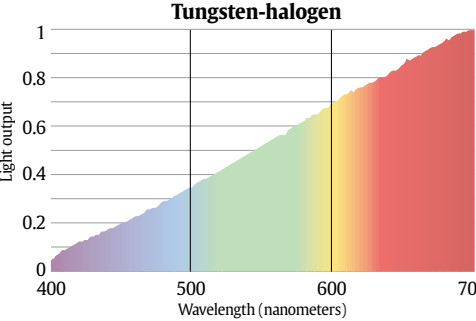
Federal safety regulators are concerned, as well. In fact, the National Highway Traffic Safety Administration (NHTSA) is about to start a process that paves the way for the biggest change in headlight regulations since they were established in 1968.

The agency also will look at glare from high-mounted truck and van headlights, and from auxiliary fog and driving lights. NHTSA "has been receiving complaints of glare" and wants to hear, officially, what people

Please see COVER STORY next page ►

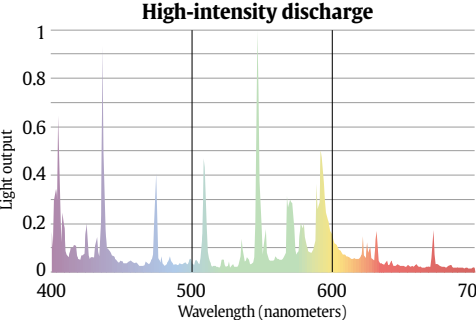
### Harsh blue light contributes to glare

**Warm red...** Conventional tungsten-halogen headlights have a smooth light output, with most of it concentrated at the red end of the spectrum, which is easy on the eyes.



### ...vs. cold blue

Xenon-ignited high-intensity-discharge headlights have irregular light output, with brilliant and powerful spikes on the blue end of the spectrum, which is harsher to oncoming drivers' eyes.



Source: University of Michigan

By Qian Tian, USA TODAY

# Job survivors shoulder more work

Those who stay delay vacations, put in more hours and add tasks

By Stephanie Armour  
USA TODAY

Employees who've survived layoffs now are facing another challenge: more work.

Leaner companies are asking employees to do more with less. That means many workers are putting in extra hours or canceling vacations so they can shoulder tasks once done by colleagues who've been let go. Others are tackling new job responsibilities due to corporate restructurings.

"Even people who haven't been laid off have found that jobs have changed," says Lee Bouche, president of the Green Bay, Wis.-based Employee Resource Center. "They're working more, because there's less of a feeling of security, and that's causing stress and marital and family issues."

More than 60% of employees report feeling stressed by their workload and mounting responsibilities,

according to an April report by Chicago-based employee-assistance service provider ComPsych. And in a May study by Families and Work Institute, 54% of employees felt overworked at least sometime in the past 3 months.

Stressed workers are:

► **Assuming new duties.** Employees are being asked to tackle assignments that previously hadn't been part of their job descriptions.

"None of our plans have changed, but now there are fewer people to do the work," says Ron Sege, CEO of the Merrimack, N.H.-based Ellacoya Networks, which makes equipment for broadband Internet providers. "We refocused, and that leads to more anxiety."

► **Toiling longer hours.** The number of workers very satisfied with the hours they work dropped from 54% in August 2000 to 43% in April, according to a new study by Rutgers University and the University of Connecticut.

Some employees feel the strain. "We've gotten calls from people who have been using diet drugs to stay awake, and they're using (them) more often," says Gabrielle

Antolovich, executive director of the San Jose, Calif., office of the National Council on Alcoholism and Drug Dependence.

► **Giving work more priority.** Employees are curtailing time with family or putting off personal priorities such as vacation or sabbaticals. Many feel they can't be seen as expendable, employers say.

"People are taking their whole job more seriously," says David Friend, chairman of Sonexis, a Boston-based provider of voice technology solutions. "Some who had been tempted to quit for personal reasons may give it a second thought. Almost everybody here has a friend out of work, and they don't have the headhunters calling like they did before."

Some employees say the shift is taking a toll, especially at start-ups or high-tech firms where long hours already are the norm.

"Anytime you go through a reduction, everyone will reach further," says Chris Aronis, 26, of Boston, who works in solutions management at Ellacoya. "There are more times when I'm working late."

©2001 Northwest Airlines, Inc.

WHO IN THE WORLD OF SPORTS

WHAT FORMULA ONE DRIVER HAS THE MOST CAREER WINS?

Answer: Alain Prost, with 51

Everyone's a winner with great low fares from Northwest Airlines®! Check out our sale ad on page 5A, then race to book your tickets.

www.nwa.com 1-800-225-2525

# Tech sales slow down overseas

U.S. slump hits Europe with disturbing force

By Matt Krantz  
USA TODAY

Tech firms already thrashed by a weak U.S. economy are now warning of a global epidemic, signaling a recovery may take longer than previously hoped.

Compaq Computer stoked worries Wednesday when it was the latest in a string of tech firms to warn foreign markets, especially Europe, are slowing. And Hewlett-Packard said it may not even be able to meet estimates for flat revenue this quarter because Latin America and Asia, in addition to Europe, are weak.

Tech troubles from overseas are especially disappointing, because companies and investors had hoped Europe would cushion the USA's slowdown.

"People (last year) claimed Europe would be immune to the U.S. slowdown," says Henrik Strabo, American Century's chief investment officer of international equities. "That's obviously not the case."

It's unclear how much worse things can get. Market research firm IDC says western European tech spending growth, which it had estimated at 11.1% this year, could drop to just 7.9% if the economy sinks more.

The global spread of tech woes is hard to ignore:

► Compaq said it doesn't know how bad things will get in Europe. That lack of visibility is startling because the firm gets a third of its revenue from Europe. The European slowdown could drag on until the end of the year, says Ian Link, manager of the Franklin Technology fund. Compaq shares fell 13 cents to \$15.98.

► Hewlett-Packard spooked investors by warning China is weakening. Trouble there was a surprise, says John Jones, analyst with Salomon Smith Barney. Shares of H-P lost \$1.34 to \$28.71.

► Merrill Lynch on Wednesday slashed current-year earnings estimates by nearly 10% for Manpower because of Europe's rising unemployment and layoffs. The staffing firm gets 69% of its revenue from Europe.

► Prudential Securities warned Monday that Europe may be entering an industrial recession.

► Sun Microsystems, a maker of computer servers, and chipmaker Altera both warned last week of foreign troubles.

Link says the European slowdown won't be as severe as the USA's because European companies didn't overbuy tech goods as much.

But Strabo says fixing Europe won't be easy, since rising inflation there limits how much interest rates can be cut to spur demand. "With the world economy slowing, European (companies) are waiting before writing a big check for a piece of equipment," he says.

Contributing: Michelle Kessler

► **Fed governor turns gloomier, 3B**

# Dot-com decline sees no end soon

By Jon Swartz  
USA TODAY

SAN FRANCISCO — The dot-com nose dive is deepening and isn't likely to hit bottom until next year, experts warn.

That means more job cuts and fewer new companies. Signs of further decay:

► **Firms folding.** In May, 54 Internet firms closed, Webmergers.com says. That was down from 58 in April, but it squashed hopes that the shakeout hit bottom in March when only 44 shuttered. While previous casualties were often upstarts offering freebies, recent victims include respected firms such as BroadBand Office, a telecom provider backed by venture-capital powerhouse Kleiner Perkins Caufield & Byers, and Quokka Sports, a key content provider for the 2002 Winter Olympics' Web site. "We've made the transition from companies that deserve to die to legitimate companies being sullied by the dot-com downturn," says Tim Miller, president of Webmergers.com.

► **Jobs dwindle.** The closure of 493 dot-coms and more than 100,000 Internet-related layoffs since January 2000 suppressed national tech job growth to 4.6% in 2000, says a new study from electronics association AeA, and the Nasdaq Stock Market. That is the lowest level in 5 years. The Internet industry "will get worse in the fall and plummet until it hits rock bottom" in mid-2002, predicts Chris Kitz, former NBC Internet CEO who is now CEO of software firm Yaga. "Scores of companies are searching for last-ditch funding."

► **Spending cuts.** Venture capitalists and businesses continue to tighten purse strings. The number of Net firms getting venture capital funding dropped to 130 in the first quarter, down from 241 a year earlier, VentureOne says. Firms polled recently by Deutsche Banc Alex. Brown Securities and CIO magazine say they'll spend 3.8% more on tech goods the next 12 months instead of the 7.2% increase they forecast in April and 19% in November.

Some entrepreneurs insist current conditions — cheaper rents and more workers — are good. "You will see significant companies built on real earnings, and not sand," Kitz says. And the stocks of some survivors are rebounding. Shares of online retailers have climbed 72.8% this year, and access providers are up 53.2%, based on the USA TODAY Internet 100 index.

# So far, studies say HID glare hurts but doesn't disable drivers

Continued from 1B

have to say, says Richard Van Iderstine, chief of the agency's visibility and injury-prevention division. NHTSA could do nothing; it could swing the other way and overhaul regulations so every headlight would have to be redesigned; or it could come to rest between those extremes. No decision is likely for more than a year.

In what could be an epic battle, the xenon warrior princes will be automakers and driving enthusiasts in support of bright whites, vs. many ordinary motorists tired of squinting and squirming.

## Cover story

"They are major cool," says Gordon Wangers, driving enthusiast and boss at AMCI, a California testing firm that validates automakers' advertising claims.

"I never tire of switching them on and watching that bluish-white, fire-up-and-focus routine. In fact, I always do it two or three times to show off if I have passengers," Wangers says.

The only drawback Wangers sees is that "on dark, twisting roads, the line between lighted and dark is too pronounced. . . . Conventional headlights have a more natural fade area." He says he's not bothered by HID glare when he's on the other end of the beam.

Nor is Matthew Strahan of Mount Pleasant, Tenn., who's about to buy an Acura CL with HID lights. "They are useful. They do well in the rain." Driving toward HID lights has "never bothered me at all," he says, and, "It makes no difference to me" that others dislike the glare.

### 'They bother my eyes'

On the other side are motorists like Rebecca Boudreau of Aliso Viejo, Calif., who sums the universal objection nicely: "I don't like them. They bother my eyes. I think that they're bad for (others who are) driving."

What'll make this tough to resolve is that both sides are right: HID lights provide better lighting — and more glare. Headlights have to meet federal minimum and maximum illumination standards. But within those standards, there's enough room — physically and legally — for light to shine where oncoming drivers think it shouldn't.

### Safety agency seeks input

The National Highway Traffic Safety Administration plans to ask for public comment on headlight glare this summer. The invitation will be published in the *Federal Register* and on the agency's Web site, [www.nhtsa.dot.gov](http://www.nhtsa.dot.gov).

But glare from HID lights doesn't seem to cause accidents, hard as that might be to swallow. NHTSA knows of no injuries or deaths caused by HID glare. And the University of Michigan's pioneering studies of HID glare found that, while it annoys oncoming drivers, it doesn't disable them.

"Discomfort glare is not always related to disability glare. Our result is about discomfort," says Michael Flannagan, scientist at the

university's Transportation Research Institute.

The university has spent at least 10 years trying to quantify the problem and thinks it has done so. The short version: Oncoming drivers are bothered by HID glare because of its harsher, blue light. Light from conventional tungsten-halogen headlights is toward the softer, red end of the spectrum. Halogens have to put out 1.5 times as much light as HID lights do to cause the same wincing, squinting and looking away.

"We think there is some problem with glare, but we think it's a good trade-off," Flannagan says. "Our overall opinion of HIDs is that they are good things. HID lamps can be, and normally are, better for seeing."

A recent Society of Automotive Engineers technical paper agrees. It notes that HID lights' wider beam and greater output makes them dramatically better than tungsten-halogen lights "in detecting edge-of-roadway hazards, such as pedestrians and animals." But the same factors also "may produce more glare," acknowledge the authors, John Van Derlofske, John Bullough and Claudia Hunter of the lighting research center at Rensselaer Polytechnic Institute in Troy, N.Y.

### 'They're pretty cool'

Though HID lights are distracting, toning them down will be hard. Automakers are pushing them as a hot item, starting with luxury cars.

"They're pretty cool," says Fred Heiler, spokesman for DaimlerChrysler's Mercedes-Benz brand. HID lights are standard on top-end Mercedes-Benz S-class sedans and CL coupes, optional on all others.

"There's been some discussion about them because they're brighter, but we know it's primarily the color of the light, and not the intensity, that takes some people by surprise," Heiler says.

Automakers like HID lights because:

- They can be profitable, either as stand-alone options or as part of high-dollar packages. Mercedes charges \$850 for the HID option, and that's cheap. Catalog firms get up to \$1,500 for kits that replace ordinary lights with bona fide HID lamps.

- Their efficiency — nearly three times the light from the same power — gives auto designers freedom. They can sculpt, squeeze and shape headlights as they do sheet metal, confident that HID bulbs throw off

## Headlight repair costs soar

If nothing else, high-intensity-discharge (HID) headlights have sent headlight repair and replacement costs through the sunroof.

The cost trend was sharply upward even before HID lights because automakers had begun using sleek, one-piece composite halogen headlights that integrated with modern styling better than older, less-expensive round or rectangular lights. The composite's one-piece design means it has to be replaced completely even if damage is minor or cosmetic. Add HID lights' expensive components to a fender-bender and stand back. Somebody's going to have to write an enormous check. If it's your insurance company, expect it to eventually show up in your rates.

State Farm Insurance, the biggest auto insurer, offers some illuminating contrasts between the replacement costs for standard halogen lights in composite housings and xenon-fired HID lights.

As a benchmark for what's dirt-cheap among today's headlights, consider the base-level Chevrolet Astro cargo van. Its headlights are \$50 each to replace. Step up to a fancier Astro with composite halogen headlights and the bill rises to \$128 — still chump change in the world of HID lights.

### HIDs can cost \$1,857 to replace – each

Costs to replace one headlight assembly on several other vehicle models:

Vehicle	Conventional halogen	HID
'01 Infiniti Q45	\$373	\$1,857
Infiniti QX4 SUV	\$312 <sup>1</sup>	\$1,169 <sup>2</sup>
'01 Lexus GS 400	\$385	\$1,062
'01 BMW 5-series	\$403	\$860
'01 Mercedes-Benz E-class	\$266	\$770
'01 Audi A6 4.2 Quattro	\$239	\$572

1-2000; 2-2001; Source: State Farm Insurance

## Xenon acts as a fire starter in HID lights – other gases create the blue-white glow



By Tim Dillon, USA TODAY

**Close up:** How the HID looks on a 2002 Infiniti. It could cost more than \$1,000 to replace.

High-intensity-discharge (HID) headlights would take a few minutes to get bright if xenon were not added to the gas sealed inside the headlights.

That's how the lights have come to be known, incorrectly, as xenon headlights even though xenon isn't what produces the characteristic blue-white color.

Xenon, which ignites easier and faster than other HID gases, acts as a starter. It accelerates HID lights' start-up process, making the technology suitable for cars and trucks, where waiting a few minutes for lighting is impractical.

With xenon involved, HID lights are shining pretty well after 1 second, and are as ready as they'll ever be in a few seconds. Xenon is responsible for the bright flash as the headlights are turned on, and it's xenon that glows brightly temporarily until the harder-to-ignite gases are fully awake.

Mirrors inside the light assembly capture, amplify and direct the light; lenses aim and focus it.

By James R. Healey

enough light to meet federal standards. Normal halogen bulbs might not.

In other words, HID technology gives designers lots of light to waste in pursuit of styling goals.

Because HID lights are on high-end cars, they've become a fashion statement. Auto-parts firms sell blue-tint halogen lights that resemble the HID color for those dying to have their \$9,000 Kia Rios mistaken at night for \$120,000 Mercedes-Benz S-classes.

"People will put blue filtering on filament bulbs and advertise it as giving 'HID-like performance.' It doesn't. It gives you the coloring," Flannagan says. In fact, ersatz HIDs could be triggering many of the complaints because "They are causing a lot of glare. They're bad optically and scattering light all over," he says.

But the real ones have seduced driving enthusiasts.

"They're the greatest thing since sliced bread. The drivers who have them aren't complaining. They light up road markings much better," says David Van Sickle,

director of auto and consumer information for AAA.

But Massey, the St. Louis SUV driver, insists there's no need for the special lights: "Regular ones are fine. No matter how much better you can see, it can't be so much better that it's worth blinding people."

### Road signs play role

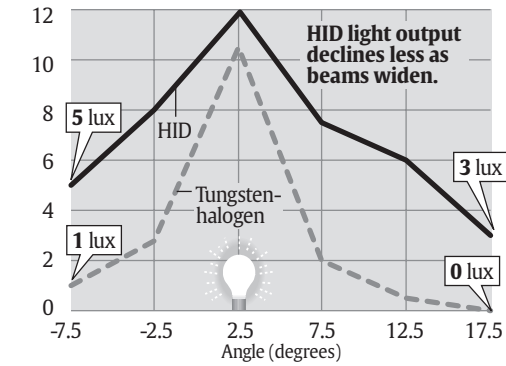
Blame U.S. road signs for some of the glare. U.S. signs aren't all lighted and don't all reflect light the same. Thus, headlights have to throw some light upward and outward to make sure you can read overhead and roadside signs, according to federal rules.

In Europe, home of most of the world's 2 million HID-lighted vehicles, glare seldom is mentioned. European road signs routinely and consistently are lighted. Headlights needn't, and are required not to, beam up. That keeps light out of other drivers' eyes.

Veterans of auto and regulatory circles suspect that

### Better roadside lighting

Xenon-fired high-intensity-discharge (HID) headlights spread a wider beam than conventional tungsten-halogen headlights do, making it easier for a driver to see signs and obstructions on the side of the road. Light output is measured in units called lux.



Source: Society of Automotive Engineers

By Quin Tian, USA TODAY

complaints are at least partly a reaction to the fact that HID lights are different. NHTSA veterans say the agency got similar ban-the-bulb complaints in the 1980s, as automakers shifted to halogen lamps from their predecessors, sealed-beam lights with bulbs. Halogens appeared brilliant white — blinding, people insisted — in contrast to the yellowish-light sealed beams. Now, halogens are the ones that look yellowish in contrast to blazing, blue-white HID lights.

Another Society of Automotive Engineers paper tackling headlight glare and its side issues warns that "agitation over the effect of glare caused by powerful headlamps has gradually increased until we are threatened with drastic legislation."

That one's by engineer Alden L. McMurtry — published in 1917, addressing the transition to electric headlights from acetylene-arc lamps.

Contributing: Steven Komarow in Berlin

# Earn double points or miles and you'll feel twice as smart.

*(Without that annoying pocket protector look.)*

☞ **At Holiday Inn Express® you get double Priority Club® points or miles May 15-August 31.** ☞

When you stay at any Holiday Inn Express® hotel in the U.S. or Canada between May 15 and August 31, 2001 you'll collect double Priority Club® points or double miles. Not to mention a free deluxe continental breakfast, free local and 1-800 calls. Call **1-888-560-5660** to register. When prompted, enter your Priority Club member number, then code **3300**, or visit **[www.hiexpress.com/double](http://www.hiexpress.com/double)**.

  
**Holiday Inn**  
**EXPRESS®**  
Stay Smart®

Must be a Priority Club member and register member number and applicable code in order to be eligible to collect the Double Points/Miles offer on qualifying stays at any Holiday Inn Express in the U.S. and Canada between 5/15/01 and 8/31/01. Double Miles offer is valid with participating airlines. For a complete list of participating airlines, visit [www.hiexpress.com/double](http://www.hiexpress.com/double). Airline bonus will be posted to your airline account 6-8 weeks following your stay and preference must be on your Priority Club profile. To change your earning preference, login at [www.priorityclub.com](http://www.priorityclub.com) and update your profile. Retroactive bonus points will not be awarded for stays prior to registration or promotion period. A stay is qualified when paying qualifying rates, which are most business and leisure rates. Offers subject to standard Priority Club terms and conditions. Visit [www.priorityclub.com](http://www.priorityclub.com) for full Priority Club terms and conditions.

©2001, Bass Hotels & Resorts, Inc. All rights reserved. Most hotels are independently owned and/or operated.